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**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION**

POLICE AND FIRE RETIREMENT ) Case No. 13-cv-00945-VC  
SYSTEM OF THE CITY OF DETROIT, )  
Individually and on Behalf of All Others )  
Similarly Situated, )

Plaintiff, )

vs. )

ROSEMARY A. CRANE, PATRICK D. )  
SPANGLER, and EPOCRATES, INC., )

Defendants. )

**[PROPOSED] ORDER PRELIMINARILY  
APPROVING SETTLEMENT AND  
PROVIDING FOR NOTICE OF  
PROPOSED SETTLEMENT**

1 WHEREAS, a class action is pending before the Court entitled *Police and Fire Retirement*  
2 *System of the City of Detroit v. Crane et al.*, Case No. 13-cv-00945-VC, United States District  
3 Court for the Northern District of California (the “Litigation”);

4 WHEREAS, the Court has received the Stipulation of Settlement dated as of October 30,  
5 2015 (the “Stipulation”),<sup>1</sup> which has been entered into by Lead Plaintiff and Defendants, and the  
6 Court has reviewed the Stipulation and the exhibits annexed thereto;

7 WHEREAS, the Parties having made application, pursuant to Federal Rule of Civil  
8 Procedure 23(e), for an order preliminarily approving the Settlement of this Litigation, in  
9 accordance with the Stipulation which sets forth the terms and conditions for a proposed  
10 settlement of the Litigation and for dismissal of the Litigation with prejudice upon the terms and  
11 conditions set forth therein; and the Court having read and considered the Stipulation and the  
12 exhibits annexed thereto;

13 NOW, THEREFORE, IT IS HEREBY ORDERED:

14 1. The Court does hereby preliminarily approve the Stipulation and the Settlement set  
15 forth therein, subject to further consideration at the Settlement Hearing described below.

16 2. The Court finds that: (a) the Stipulation resulted from arm’s-length negotiations;  
17 and (b) the Stipulation is sufficiently fair, reasonable and adequate as to the Settlement Class  
18 Members to warrant providing notice of the Settlement to Settlement Class Members for  
19 consideration and holding a Settlement Hearing.

20 3. A hearing (the “Settlement Hearing”) shall be held before this Court on  
21 \_\_\_\_\_, 2016, at \_\_\_\_:\_\_\_\_.m., to determine whether the proposed Settlement of the  
22 Litigation on the terms and conditions provided for in the Stipulation is fair, reasonable and  
23 adequate to the Settlement Class and should be approved by the Court; whether to certify a  
24 Settlement Class for purposes of the Settlement; whether a Judgment finally approving the  
25 Settlement should be entered herein; whether the proposed Plan of Allocation should be approved;  
26 whether to grant Lead Counsel’s request of attorneys’ fees and expenses; and whether to grant

27 <sup>1</sup> For purposes of this Order, the Court adopts all defined terms as set forth in the  
28 Stipulation, and the terms used herein shall have the same meaning as in the Stipulation.

1 Lead Plaintiff's reimbursement of its reasonable costs and expenses (including lost wages) directly  
2 related to representation of the Settlement Class.

3 4. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, the Court  
4 preliminarily certifies, solely for the purposes of effectuating this Settlement, a Settlement Class  
5 consisting of all Persons who purchased or otherwise acquired the common stock of Epocrates,  
6 Inc. ("Epocrates" or the "Company") between February 1, 2011 through August 9, 2011, inclusive  
7 (the "Settlement Class"), and were allegedly damaged thereby. Excluded from the Settlement  
8 Class are Defendants, members of the immediate families of the Individual Defendants, the  
9 officers and directors of the Company during the Settlement Class Period, the legal  
10 representatives, heirs, successors, or assigns of any of the foregoing excluded Persons and any  
11 entity in which any of the Defendants have or had a controlling interest. Also excluded from the  
12 Settlement Class are those Persons who submit valid and timely requests for exclusion in  
13 accordance with the requirements set forth in the Notice. There has been no prior notice to  
14 Settlement Class Members of the certification of the Settlement Class in this Litigation or prior  
15 opportunity for any Person to request to be excluded from the Settlement Class.

16 5. Solely for purposes of the Stipulation and the Settlement, the Lead Plaintiff is  
17 hereby certified as the class representative pursuant to Rule 23(b)(3) of the Federal Rules of Civil  
18 Procedure. Lead Counsel is appointed as class counsel for purposes of the Settlement.

19 6. The Court approves, as to form and content, the Notice of Proposed Settlement of  
20 Class Action, Motion for Attorneys' Fees and Expenses, and Settlement Hearing (the "Notice"),  
21 the Proof of Claim and Release form (the "Proof of Claim"), and Summary Notice ("Summary  
22 Notice") annexed respectively as Exhibits A-1, A-2 and A-3 hereto. The Court further finds that  
23 the mailing and distribution of the Notice and publishing of the Summary Notice, substantially in  
24 the manner and form set forth in this Order: (i) meet the requirements of Rule 23 of the Federal  
25 Rules of Civil Procedure and the Due Process Clause of the U.S. Constitution, (ii) are reasonably  
26 calculated, under the circumstances, to describe the terms and effect of the Stipulation and the  
27 Settlement; (iii) apprise Settlement Class Members of their right to object to the proposed  
28

Settlement or to exclude themselves from the Settlement Class; and (iv) provide the best notice practicable under the circumstances and shall constitute due and sufficient notice to all Persons entitled thereto.

7. Pending final determination by the Court as to whether the Settlement, as set forth in the Stipulation, is fair, reasonable, and adequate, and should be finally approved, and whether the Judgment dismissing the Litigation with prejudice should be approved, no Settlement Class Member, either directly, representatively, or in any other capacity, shall assert, commence, or prosecute against any of the Released Persons, any of the Released Claims in this Litigation, or in any other proceeding or forum. This injunction is necessary to protect and effectuate the Settlement, this Order, and the Court's flexibility and authority to effectuate the Settlement and to enter judgment when appropriate, and is ordered in aid of the Court's jurisdiction and to protect its judgments.

8. The Court appoints Kurtzman Carson Consultants, LLC ("KCC") ("Claims Administrator") to supervise and administer the notice procedure as well as the processing of claims under the supervision of Lead Counsel, as more fully set forth below:

a. Not later than fifty-five (55) business days after entry of this Order (the "Notice Date"), the Claims Administrator shall cause a copy of the Notice and the Proof of Claim, substantially in the forms annexed as Exhibits A-1 and A-2 hereto, to be mailed to all Settlement Class Members who can be identified with reasonable effort. Such notice shall be sent by first-class mail, postage prepaid, to the Settlement Class Member's last known address;

b. Not later than fifty-five (55) business days after the Notice Date, the Claims Administrator shall cause the Stipulation and its exhibits in final form and a copy of the Notice to be posted on the following website: www.\_\_\_\_\_.com;

c. Not later than fifty-five (55) business days after the Notice Date, the Claims Administrator shall cause the Summary Notice to be published once in *Investor's Business*

1        *Daily*, and on a different day shall cause the Summary Notice to be published once in *PR*  
2        *Newswire*; and

3                d.        Not later than one hundred and five (105) calendar days after the Notice  
4        Date, Lead Counsel shall cause to be served on Defendants' Counsel and filed with the  
5        Court proof, by affidavit or declaration, of such mailing, publishing and posting.

6        9.        Not later than ten (10) calendar days after the Stipulation was filed in this Court,  
7        Defendants shall provide notice of the proposed Settlement to appropriate Federal and State  
8        officials required by the Class Action Fairness Act of 1995, 28 U.S.C. §1715 ("CAFA Notice").  
9        Not later than 105 days after the Notice Date, Defendants shall file with the Court an affidavit or  
10       declaration showing timely compliance with this CAFA Notice directive.

11       10.       Banks, brokerage firms, institutions, and other Persons who are nominees who  
12       purchased or acquired the common stock of Epocrates for the beneficial interest of other Persons  
13       during the Settlement Class Period ("Nominee Purchasers"), shall within ten (10) calendar days of  
14       receipt thereof (a) provide to the Claims Administrator the name and last known address of each  
15       Person for whom they purchased Epocrates common stock during such the Settlement Class  
16       Period or (b) request additional copies of this Notice and the Proof of Claim, which will be  
17       provided to them free of charge, and within ten (10) calendar days mail the Notice and Proof of  
18       Claim directly to the beneficial owners of Epocrates common stock. If Nominee Purchasers  
19       choose to follow alternative procedure (b), upon such mailing, they must send a statement to the  
20       Claims Administrator confirming that the mailing was made as directed and retain the names and  
21       addresses for any future mailings to Settlement Class Members. If requested and upon appropriate  
22       supporting documentation, Lead Counsel and/or the Claims Administrator are authorized to  
23       reimburse Nominee Purchasers solely for their reasonable out-of-pocket expenses incurred in  
24       providing the Notice and the Proof of Claim to beneficial owners who are Settlement Class  
25       Members out of the Settlement Fund, which expenses would not have been incurred except for the  
26       sending of such Notice and Proof of Claim, subject to further order of this Court with respect to  
27       any dispute concerning such compensation.

1           11. Any Person falling within the definition of the Settlement Class may, upon request,  
2 be excluded from the Settlement Class. Any such Person must submit to the Claims Administrator  
3 a request for exclusion (“Request for Exclusion”), sent by first-class mail and postmarked no later  
4 than twenty-one (21) calendar days prior to the Settlement Hearing or such other date as set by the  
5 Court to the address provided in the Notice. A Request for Exclusion must state: (a) the name,  
6 address, telephone number and email address of the Person requesting exclusion; (b) each of the  
7 Person’s purchases and sales of Epocrates common stock made during the Settlement Class  
8 Period, including the dates of purchase or sale, the number of shares purchased and/or sold, and  
9 the price paid or received per share for each such purchase or sale; and (c) that the Person wishes  
10 to be excluded from the Settlement Class. A Request for Exclusion shall not be effective unless it  
11 provides the required information set forth herein and in the Notice and is made within the time  
12 stated herein, or the Request for Exclusion is otherwise accepted by the Court. All Persons who  
13 submit valid and timely Requests for Exclusion shall have no rights under the Settlement, shall not  
14 share in the distribution of the Net Settlement Fund, and shall not be bound by the Settlement or  
15 the Judgment entered in this Litigation.

16           12. Unless otherwise ordered by the Court, all Persons who fall within the definition of  
17 the Settlement Class and who do not timely and validly request to be excluded from the Settlement  
18 Class in accordance with the instructions set forth above and in the Notice shall be subject to and  
19 bound by all provisions in the Stipulation, and by all proceedings, rulings, orders, and judgments  
20 in the Litigation regardless of whether such Settlement Class Member submits a Proof of Claim  
21 form.

22           13. Settlement Class Members who wish to collect in the Settlement shall complete and  
23 submit Proof of Claim forms in accordance with the instructions contained therein. All Proof of  
24 Claim forms must be sent by first-class mail and postmarked no later than one hundred and fifty  
25 (150) calendar days after the Notice Date or such other date as may be set by the Court. Any  
26 Settlement Class Member who does not timely submit a Proof of Claim form within the time  
27 provided for shall be barred from sharing in the distribution of the proceeds of the Net Settlement  
28

1 Fund, unless otherwise ordered by the Court, but will in all other respects be subject to and bound  
2 by the provisions of the Stipulation and the final Judgment, including the releases contained  
3 therein.

4 14. Any Settlement Class Member who wishes to object to the fairness, reasonableness,  
5 or adequacy of the Settlement, to the Plan of Allocation, to any term of the Stipulation, or to the  
6 proposed awards of attorneys' fees and expenses or to the award to Lead Plaintiff of costs and  
7 expenses, may file an objection. An objector must file with the Clerk of the United States District  
8 Court for the Northern District of California, a written statement of his, her or its objection  
9 (a) clearly indicating the objector's name, mailing address, daytime telephone number, and e-mail  
10 address; (b) specifying the reason(s) for each objection, including any legal support and/or  
11 evidence that such objector wishes to bring to the Court's attention; and (c) identifying and  
12 supplying documentation showing the dates, prices, and numbers of shares of all purchases and  
13 sales of Epocrates common stock by such objector during the Settlement Class Period. The  
14 objector or the objector's counsel may file the objection in person or by first-class mail at the  
15 following address:

16 Clerk of the Court  
17 U.S. District Court for the Northern District of California  
18 450 Golden Gate Avenue  
19 San Francisco, CA 94102

20 If the objection is filed in person, it must be received by the Clerk of the Court no later than  
21 twenty-one (21) calendar days prior to the Settlement Hearing. If the objection is filed by first-  
22 class mail, it must be postmarked no later than twenty-one (21) calendar days prior to the  
23 Settlement Hearing.

24 The objector or the objector's counsel must also serve by first-class mail, postmarked no  
25 later than twenty-one (21) calendar days prior to the Settlement Hearing, the objection and all  
26 supporting documentation to Lead Counsel and Defendants' Counsel as follows:

27 *To Lead Counsel:*  
28 Joshua L. Crowell, Esq.  
Glancy Prongay & Murray LLP  
1925 Century Park East, Suite 2100  
Los Angeles, California 90067

1           *To Defendants' Counsel:*  
 2           Deborah S. Birnbach, Esq.  
 3           Goodwin Procter LLP  
 4           53 State Street  
           Boston, MA 02109

5           A Settlement Class Member may file an objection on his, her or its own or through an  
 6 attorney hired at his, her or its own expense. Any Settlement Class Member who does not make  
 7 his, her or its objection in the manner provided above shall be deemed to have waived such  
 8 objection and shall forever be foreclosed from making any objection, unless otherwise ordered by  
 9 the Court. Untimely objections shall be barred. Any submissions by the Parties in opposition or  
 10 response to objections shall be filed with the Court no later than seven (7) days before the  
 11 Settlement Hearing.

12           15. Any objector who submits a timely, written objection in accordance with the  
 13 instructions herein, may also appear at the Settlement Hearing either in person or through counsel  
 14 retained at the objector's expense. Objectors or their attorneys intending to appear at the  
 15 Settlement Hearing must serve by first-class mail, postmarked no later than twenty-one (21)  
 16 calendar days before the Settlement Hearing, a notice of intention to appear, setting forth the  
 17 name, mailing address, daytime phone number, and e-mail address of the objector and of the  
 18 objector's attorney (if any) on Lead Counsel and on Defendants' Counsel. The objector must also  
 19 file the notice of intention to appear with the Court, either in person or by first-class mail. If the  
 20 notice is filed in person, it must be received by the Clerk of the Court no later than twenty-one  
 21 (21) calendar days before the Settlement Hearing; if the notice is filed by first-class mail, it must  
 22 be postmarked no later than twenty-one (21) calendar days before the Settlement Hearing. Any  
 23 objector who does not timely file and serve a notice of intention to appear in accordance with this  
 24 paragraph shall not be permitted to appear at the Settlement Hearing, except otherwise ordered by  
 25 the Court.

26           16. All funds held by the Escrow Agent shall be deemed and considered to be in  
 27 *custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such  
 28 time as such funds shall be distributed pursuant to the Stipulation or further order of the Court.

1           17. All papers in support of the Settlement (excluding the Supplemental Agreement),  
2 Plan of Allocation, Lead Counsel's Fee and Expense Award, and the Lead Plaintiff Cost and  
3 Expense Award shall be filed and served not later than thirty-five (35) calendar days prior to the  
4 Settlement Hearing.

5           18. Neither Defendants nor any of the Released Persons shall have any responsibility  
6 for or liability with respect to the Plan of Allocation, any application for attorneys' fees or  
7 expenses submitted by Lead Counsel, or any application for Lead Plaintiff's reimbursement of  
8 costs and expenses (including lost wages) directly related to its representation of the Settlement  
9 Class, and such matters will be considered separately from the fairness, reasonableness and  
10 adequacy of the Settlement.

11           19. All reasonable Notice and Administration Expenses incurred in identifying and  
12 notifying Settlement Class Members, as well as administering the Settlement, shall be paid as set  
13 forth in the Stipulation. In the event the Settlement is not approved by the Court, or otherwise  
14 fails to become effective, neither Lead Plaintiff nor Lead Counsel shall have any obligation to  
15 repay any amounts actually and properly disbursed from the Settlement Fund pursuant to this  
16 Paragraph.

17           20. Neither the Stipulation, nor any of its terms or provisions, nor any of the  
18 negotiations or proceedings connected with it, shall be construed as an admission or concession by  
19 the Defendants of the truth of any of the allegations in the Litigation, or of any liability, fault, or  
20 wrongdoing of any kind and shall not be construed as, or deemed to be evidence of, or an  
21 admission, or concession that Lead Plaintiff or any Settlement Class Members have suffered any  
22 damages, harm, or loss.

23           21. In the event that the Settlement does not become effective in accordance with the  
24 terms of the Stipulation or the Effective Date does not occur, then this Order shall be rendered null  
25 and void to the extent provided by and in accordance with the Stipulation and shall be vacated and,  
26 in such event, all orders entered and releases delivered in connection herewith shall be null and  
27 void to the extent provided by and in accordance with the Stipulation.

1           22.     Pending the Settlement Hearing, the Court stays all proceedings in the Litigation,  
2 other than proceedings necessary to carry out or enforce the terms and conditions of the  
3 Stipulation.

4           23.     The Court reserves the right to adjourn the date of the Settlement Hearing without  
5 further notice to the Settlement Class Members, and retains jurisdiction over the Litigation to  
6 consider all further matters arising out of or connected with the Settlement. The Court may  
7 approve the Settlement, with such modifications as may be agreed to by the Settling Parties, if  
8 appropriate, without further notice to the Settlement Class.

9  
10  
11 DATED:

\_\_\_\_\_  
The Honorable Vince Chhabria  
United States District Judge